



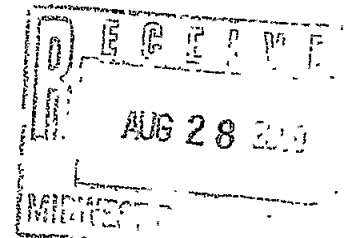
## FOUNDATION FOR FAIR CONTRACTING

"Equity, Integrity, Justice"

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August 22, 2000

General Services Administration  
FAR Secretariat (MVR)  
Attn: Laurie Duarte  
1800 F. Street, NW, Room 4035  
Washington, DC 20405



**FAR Case 2001-014**

**RE: FAR Case 1999-010**

- 917

To Whom It May Concern:

On behalf of the Foundation For Fair Contracting of Eastern Pennsylvania, Ltd., I am writing to express our support for the proposed contractor responsibility regulations issued on June 30, 2000. We applaud the Administration for moving forward on this important initiative.

"Responsible contractor" laws have been on the books for decades, as a means of ensuring that the government does business with ethical, reliable firms that will perform the contract in an efficient, responsible manner. The proposed regulations amend Part 9 of the Federal Acquisition Regulations to make clear that a company's record of compliance with the law, including laws that protect basic labor and employment standards, the environment, and consumers, is relevant to deciding whether the company has a "satisfactory record of integrity and business ethics", one of the requirements for being considered a "responsible contractor" eligible to receive a government contract.

In our view, the proposed regulations reinforce a simple, common-sense principle – the federal government should contract with ethical, law-abiding companies, not companies that seriously or repeatedly violate the law. It makes perfect sense for the government to inquire about a company's record of compliance with the law before entrusting that company with a federal contract.

Such a policy protects the government's interest in economical, efficient contracting, because companies that respect their legal obligations are more likely to respect the obligations placed upon them by a federal contract. This policy also promotes basic fairness. Companies that don't respect civil rights, the environment, worker protections, or consumer laws don't deserve to be rewarded with lucrative, taxpayer-funded contracts.

The proposed amendment to the Federal Acquisition Regulations will help clarify the existing "responsible contractor" test and will provide helpful guidance to contracting officers in applying these rules. In addition, we strongly support the certification requirement in the revised proposal, under which bidding companies would be required to disclose whether they have been convicted of or found liable for violations of tax, labor and employment, environmental, antitrust, or consumer protection laws, and to provide basic information on any such violations. This certification requirement provides an efficient means by which contracting officers can obtain information they need to evaluate a bidder's record of ethics and integrity.

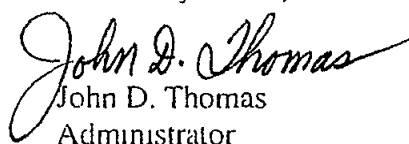
The proposed regulation appropriately instructs contracting officers to consider "all relevant credible information" in evaluating contractor responsibility. We assume that pending legal proceedings, in addition to completed proceedings, may in appropriate circumstances constitute "relevant credible information" that the contracting office should consider. We urge the FAR Council to make this point clear in the final ruling. In addition, we believe the proposed rule inappropriately limits the ethics and integrity inquiry to violations of federal law. We urge the FAR Council to make clear in the final rule that violations of state and local laws can and should be considered in evaluating contractor responsibility.

Finally, we support the proposal's cost reimbursement forms. The government should end the self-defeating practice of reimbursing contractors their legal defense costs when they lose or settle legal proceedings brought against them by the federal government.

The regulations will better protect the government's interest and at the same time send a clear message to prospective contractors about the importance of complying with consumer, civil rights, environmental, and worker protection laws. This is an initiative of value and importance to the fair contracting community, and we urge you to publish final regulations without delay.

Thank you for your consideration of these comments

Faternally Yours,

  
John D. Thomas  
Administrator